

DATE:

February 28, 2022

TO:

Town Council

FROM:

Mayor Larry Hushour

ISSUE:

IMPACT FEES ADJUSTMENT

ATTACHMENTS:

1. (chart) Engineering Assessment of Capital Improvement Plan

2. Town's Capital Improvement Plan3. (chart) Current/Suggested Impact fees

4. MAVFC Assessment of future Capital Requirements

Council,

The purpose of this memorandum is to propose updated connection and impact fees for future development in the Town. The Town's impact fees were last updated in 2007. The Staff recommends, in the future, impact fees should be reviewed on a more frequent basis, such as every three years.

Staff has worked to create a relevant method to evaluate and adjust the various current categories of the fees and added a Public Safety component as well. This Safety component reflects the capital expenditures related to the reliance on the Town's newly-formed police department, enforcement of the code as related to safety issues, and takes into account measures required by the State (such as body cameras), but financially absorbed by the Town, to assure a continued safe environment for Mount Airy. As well, the rented facility currently housing the department exceeds capacity at our current staffing level. The addition of required officers per our APFO will require the construction of a new Police Station.

The Staff has introduced a method to provide quantifiable justification for the fee values based on the existing capital inventory. By utilizing the existing inventory replacement costs for all capital assets in place today, taken from the Town's Capital Improvement Plan, and dividing by the total connections in Town, an estimated cost per connection is obtained per equivalent dwelling unit (EDU). This becomes the basis for the impacts of future development.

Note: Since the MAVFC impacts are more related to population than to physical Water and Sewer connections, it was determined these fees shall be calculated by projected MAVFC capital expenses divided by the suggested fee to determine how many EDUs would be required to justify an increase or reduction in their component of the overall impact fee.

The following breakdown is offered to show more specifically how each category was evaluated and how each fee adjustment was derived:

A. (Sewer) Sewer Connection, Expansion Charge, Sewer Improvements, Repairs, Acquisitions

The Town's Sewer fees for residential and commercial development are based on the Town's Capital Improvement Plan (CIP) estimated replacement costs. The CIP assesses replacement costs for all infrastructure assets of the Town and distributes an estimated cost to the number of connections of the Town.

Currently, the Town collectively assesses \$6,200 for these components, when in fact the calculated fee utilizing the CIP method is \$7,668. This results in a discrepancy of approximately \$1400.

The Staff recommends these components of the impact fee be elevated from \$6200 to \$7600 by adding:

- \$200 to the Sewer Connection fee
- \$200 to the Sewer Expansion Charge
- \$1000 to the Sewer Improvements, Repairs and Acquisitions
- B. (Water) Water Connection, Well Exploration, Benefit Charge, Capital Improvements

The Town's Water fees for residential and commercial development are based on the Town's Capital Improvement Plan (CIP) estimated replacement costs. The CIP assesses replacement costs for all infrastructure assets of the Town and distributes an estimated cost to the number of connections of the Town.

Currently, the Town collectively assesses \$9,200 for these components, when in fact the calculated fee utilizing the CIP method is \$9,889. This results in a discrepancy of approximately \$600.

The Staff recommends these components of the impact fee be elevated from \$9,200 to \$9,800 by adding:

- \$200 to the Water Connection fee
- \$200 to the Well Exploration fee
- \$200 to the Water Benefit charge
- C. (General) Park Improvements, Public Safety, Capital Improvements

The Town's General fees for residential and commercial development are based on the Town's Capital Improvement Plan (CIP) estimated replacement costs. The CIP assesses replacement costs for all infrastructure assets of the Town and distributes an estimated cost to the number of connections of the Town.

Currently, the Town collectively assesses \$1,500 for these components, when in fact the calculated fee utilizing the CIP method is \$6,492. This results in a discrepancy of approximately \$4,900.

The Staff recommends these components of the impact fee be elevated from \$1,500 to \$6,400 by adding:

- \$0 to the Parks Improvements
- \$1700 to the Public Safety fee
- \$3200 to the Capital Improvements fee

D. Mount Airy Volunteer Fire Company (MAVFC)

The Town currently charges a fee in association with the impacts resulting from development and absorbed by the Mount Airy Volunteer Fire Company. The component of the overall impact fees is disbursed to the MAVFC as collected by the Town. Currently the Town assesses \$1500 for this impact. The MAVFC has sent a letter justifying a \$200 increase in this fee based on the needs of additional capital equipment with a projected population growth of 2000 residents over the next 5 years. They have anticipated the following requirements with an additional 2000 residents:

_	\$400,000	Additional Ambulance
-	\$50,000	Equipment for Ambulance
-	\$50,000	added Equipment for fire apparatus
-	\$50,000	Station modifications
	\$1,000,000	Station Expansion for added vehicle
	\$1,550,000 (total)	•

By taking the \$1,550,000 and dividing by the newly recommended \$1700 assessed fee, it is shown that approximately 911 EDU's would need to be realized in order to offset the impact costs. This is well above the projection over the next five years.

The Staff feels the uncertainty of projected growth warrants some caution in this category, and therefore recommends a modest increase from \$1,500 to \$1,700 by adding:

- \$200 to the MAVFC Benefit charge

In summary, the total Impact Fee for the first EDU of a building is proposed to raise from \$18,400 to \$25,500. Each additional EDU charges in a building are proposed to raise from \$4,900 to \$8,900. It is the desire to have these fees applied to any future developments in the Town of Mount Airy.

Note: While water "meter fees" are not part of the Town's impact fees, they are indeed related. Attachment 3. adjusts the physical cost associated with the size of the meter. This "meter fee" is NOT part of the proposed \$25,500 Impact Fee.

Please let me know if you have any questions or want to make any modifications prior to the meeting so we can prepare any updates so this can get passed on March 7th at the Town Council Meeting.

Larry Hushour

Mayor

Town of Mount Airy FY2022 Proposed Modifications to Water and Sewer Permit Fees

Note: The Town of Mount Airy Water and Sewer Fees for Residential and Commercial development is based on the Town's Capital Improvement Plan (CIP) estimated replacement costs. The CIP assesses replacement costs for all infrastructure assets of the Town and distributes an estimated cost to the number of connections of the Town.

	Current Inventory from Capital	Number of Water/Sewer	Calculated Fee per	
	Improvement Plan	Connections	Connection	Proposed FY2022 Changes to Fee(s)
Water	\$35,345,000	3,574	\$9,889	Add \$200 to Water Connection Charge Add \$200 to Well Exploration/Development Fee Add \$200 to Water Benefit Charge
Sewer	\$27,404,000	3,574	\$7,668	Add \$200 to Sewer Connection Charge Add \$200 to Sewer Expansion Add \$1,000 to Additional Charge for Improvements, Repair
General	\$23,202,650	3,574	\$6,492	Add \$3,200 to Additional Charge for Capital Improvements Add new \$1,700 Public Safety No change to Additional Charge for Park Improvements
MAVFC	(contribution currently at	\$1,500)	\$1,700	Add \$200 to Additional Benefit Charge for MAVFC
	Calculated Water/S	Sewer Permit Fee:	\$25,749	

Town of Mount Airy - Capital Improvement Plan
Last Update: February 11, 2022

WVIP - Screening & Gni Handling WIP - UV, Post Aeration, Effluent Fence (Yrs) 85 SCO SCO 71.28 3.33 5.00 5.00 570.80 Equipment 14.33

1,341.59

Town of Mount Airy - Capital Improvement Plan
Last Update: February 11, 2022

Total Asset Replacement Costs	Air Compressor	Backhoe	Pictup Trucks	Water Meters	Fire Hydranis	Distribution Pipe & Valves (45 miles)	Elevated Tank #3	Elevated Tank #2	Elevated Tank #1	Well Station #11	Well Station #10	Well Station \$9	Well Station #8	Well Station 27	Well Station #6	Well Station #5	Well Station #4	Well Station #3	Well Station 92	Well Station #1	Treatment Station #5	Treatment Station #4	Treatment Station #3	Treatment Station #2	Treatment Station #1			AAGIGI
ils .						miles)																						
2440	0	0	0	0	0	0	0	0	0	ô	ô	ô	ô	6	ô	8	ô	6	6	â	400	400	400	400	48	Cap Cost (x \$1,000)	Belidograf extens & heat	
	50	So	8	50	58	50	8	50	50	So	50	50	50	50	50	50	50	50	50	50	8	50	50	50	8	4.2	4	
420	ő	15	ô	0	0	0	60	6	8	ca.	u	on	ch	ÇA.	cn	s	(h	u	u	un	20	20	20	20	20	Cap. Cost (x \$1,000)	Paring or Equipment	
	20	20	12	12	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	Yny.	P. N	
198	0	0	0	0	o	٥	30	30	30	2	N	N	0	q	2	Q	a	0	0	a	20	20	20	20	20	Cap Cost (× \$1,000)	Fonce	
	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25	Non Non		
3900	0	0	٥	0	0	0	1500	1100	200	0	0	0	o	0	0	0	0	0	a	0	100	100	100	19	19	Cap. Cost (x \$1,000)	Tanks Shrage & Costact)	
	30	30	30	30	30	36	75	75	75	30	30	30	30	30	30	30	30	30	30	30	30	8	30	30	8	POR	(tact)	
410	0	0	0	0	٥	a	0	0	0	10	10	ö	10	10	ō	10	10	10	ö	10	60	8	8	8	60	Cap. Cost (x \$1,000)	Pamps or VEDa (Wall & Bander)	
	10	10	10	10	6	10	10	10	10	10	10	10	15	10	10	8	8	10	10	10	15	ij.	15	15	다	(Yes)	FD.	
25600	0	0	0	600	700	23760	40	8	40	20	20	20	20	20	70	20	20	20	20	20	â	ô	ô	8	ô	Cap. Cost (x \$1,000)	Pipe, Fillings, & Appartenances	
	50	6	50	12	8	100	8	8	8	8	50	8	8	50	8	50	50	50	50	50	50	50	8	8	8	(Yes)	S. T.	
313	0	0	0	0	q	0	10	ä	ö	3	w	ω	S	w	ω	w	ω	w	3	3	8	8	8	50	8	Cap Cost (x \$1,000)	Florational Contracts	
	10	6	10	10	a	75	10	1 1	8	3	햬	35	8	15	햬	th	15	訪	ij	5	15	ij.	15	th	t	N's)	9 2	
250	0	0	0	0			0	, ,	0	0	a	0	0	0	a	0	0	a	0	0	50	50	8	58	50	Cap. Cost (x \$1,000)	RadCi Sydem o./ Sationer	
	20	20	26	20	3 6	8 8	40	1 6	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	20	8	FOR C	3	
100	0	0	0							0	٥	•	0	0	0	0	0	0	•	٥	20		20	20	8	Cap Cost Fi	Caustin System	
800	10	10		ō	3 8	5 6	-	5 6		Ö	ö	0	6	8	Ö	Ö	Ö	ö	ö	ö	Ü					FOR Cap	H	
100	0	0		•						0	0	•	0	0	0	0	0	0		•	20					Cap. Cost Fi	Floquido System	
	0	10					1	5 6		Ö		8	0	6	5	10	0	10		10	16	10		10		POR Cap (xS)		
190	30							30 6		30		36	30	30	30	30	36	8	W 100		30			30		Cap Cost FOR (x51,000) (Yes)	Mitode System	
750	0							30 (30				30	8		0	G			071		120			Cap. Cost (x \$1,000)		
8																										Cost FOR	Gentalits will Mex Seatch	
	20					26			28	20	28	2	20	20	. 2	8	20	20	2 20	2						-	Q	
674									5 6									•			160					9 ×	Communications	
4	20	8				20 20			20 20	10				6			20											
35345	10		a ê	3	600	700		1 680	930	134	1	9	82	7.17		82	82		3 2	3 8	1,040	100	1,020	1000	1,020	5 1		
609.6856567	0,00		375	193	50.00	14.00		28.00	20.17			4 6	200		1	200	20.5		2 15	2.85					38,43	Trad Sydyan Americal Circles (x \$1,010)		
603.00000	caccass!	Equipmen			Distribution System			Elevated Lumb			Wells/Wellhouses											Boosler Pump Sins	Water Treatment			Category Americ Codes (x51,000)		

	28	286	120	0	10	295		230	٥		500	300		4	195		12696,65		8175	u	Total Asset Replacement Costs
	3 8	5 6		5 1	2		20	ä		55	10		_	0	30	20	9855	50	J.	6	Reads (mr)
- 1	3	5		5	20		20	10		88	10	100		ō	30	20	76.65	60	035	0	Municipal Parling Lot (eq mi)
ш	28	30		id	40		8														OPERATIONAL COSTS
	20	8		i	} !			\$		5	6			8	4	20	60	50	-		Flatbed Dump Truck
	3 8	5 6		\$ 8	3 (20	10		8	10		•	30		20	30	5	G		Mower Decks
	3	5		5	28		20	6		50	10		•	30		20	5	55	3		Sm I ractors
	8	30		10	20		20	6		8	法			30		20	8	8	2		- Caracian
	23	30		10	20		20	10		8	a a			36		20	75	8			Transport
	20	30		10	20		20	10		50	15			6	0 20	6	1 6	1 1	•		Backhoe
	26	30		10	20		20	ö		50	35			8	or Cycan	8 8	8 8	\$ 8	•		Skd Loader
	20	30		10	20		20	10		8	35			3	200	3 6	3 8	5 5	•		Front End Loader
	28	39		10	20		20	10		8	.,				2	3 3	760	S	on .		Pickup Trucks
	29	30		3	20		25	10		8	3			3 6		3 8	200	9 :	N		Dump Trucks
	20	30		10	20		20	100		90							1	3	13		Police Trucks & Equipment
	23	30		10	20		20	8 8				900		36		3		53	20		Storm Drams (ms)
1	20	30		10	20		20			2						3		9	30		Slotmwater Management Ponds
	28	30 80		- 3	20					ŝ a	8 8		• .	30		20		S	-		Winds Ridge Park
	20	13	8	3	20	∞ mil	100 20	8 10		1 1				3 :	3	8	8	8	•		Twn Aich
	3	30 40	10	70	20	v 3		6		. 8	5 8			8 5	8 7	8 1	1	8	•		Twn Ridge
	8	30	3	10	26	60	15 20	10		8	10			3 6	8 8	3 6	3 8	5 5			Vilage Gate
	23	30		10	20	15	15 20	6		8	8		,	3 30	3	3 6	3 8	S 1	-4		Summit Ridge
	R	30		10	20	10	10 20	10		9	ö			3		3 6	5	5 8	•		Wildwood Park
4	20	30 40		10	20		20 20	6	-	8	10			3	U	3 8	8	3 8			Vest Pocket Park
	20 20	30 2	10	10	20	-	15 20	ó		50	10			30	20	3 8	1 8	s 8			Prospect Park
48	106 20	30 10	30	10	20	150	30 20	8	-	8	10		•	30	20	20	8	8			EasiWest Park
	엄	ខ		ಕ	20		20	10		50	10		_	36		20		50	1 400		UPW Stockpie Yard
	8 1	8		16	20	-	20	ö		90	10		-	30		20		8	25		DFW Fuel Shed
	2 8	8 8		5	20	~	20	ő	7	gg.	10		•	8		20	20	50	1 350		DPW Salt Shed
	8 8	8 1		10	20	-	20	ð	-	ya.	5			30		20	20	50	1 350	93	DPW Maintenance Building 3
	2 1	8		10	8	J	20	6	•	50	15			30		20	20	so	7 200	N	DPW Maintenance Bulding 2
	H	36		10	2	•	2	10	7	**	15		•	8		20	20	50	1 250	2	DPW Maintenance Building 1
	20	30		ě	8			i										6	1 4000		Poice Station
	2	8			3 8		3 8	5 i	•	8	3			30		20		50	1 800		Flat Iran Building
1	1 1110	г			3		,	10	- 1							20		50	1800		Yourn Hall
Cap our	2	g 2	FOR Cap Out	Car Car	Į.	SON CON CON	Cap Can	19	OFF Cap. Cap.	Cust Clest FOR	200	Cop. Cast (v tr tops	Cap Out FOR	(4) (4)	Cup Cox	N SE	Cap. Cont	Con FCR	Chi (various		
	Section 2 and 2 and 2 and 2																				

ree	and Sewer Permit Fees (Resid Applied on or before TBD	Effective TBD
Sewer - Connection Charge	\$1,700.00	\$1,900.00
Sewer - Expansion	\$2,500.00	\$2,700.00
Water Connection Charge	\$1,700.00	\$1,900.00
Well Exploration/ Development Fee	\$1,500.00	\$1,700.00
Water Benefit Charge	\$3,000.00	\$3,200.00
Additional Benefit Charge for MAVFC	\$1,500.00	\$1,700.00
Additional Charge for Improvements Repairs and Acquisitions	\$2,000.00	\$3,000.00
Additional Charge for Capital Improvements	\$3,000.00	\$6,200.00
Additional Charge for Park Improvements	\$1,500.00	\$1,500.00
Additional Charge for Public Safety		\$1,700.00
TOTAL	\$18,400.00 (includes 1 edu)	\$25,500.00 (includes 1 edu)
	\$4,900 (additional edu charge) i.e. tenant fit outs, multiple unit charges	\$8,900 (additional edu charge) i.e. tenant fit outs, multiple unit charges

Please Note that these charges are based on a $5/8 \times 3/4$ or 3/4 inch meter service.

If using:

One Inch
One-and one-half inch\$ 3,800, in unimproved area, \$4,100, in improved area
Two-inch
Three-inch
Four-inch
Six-inch
and labor in each instance.



MOUNT AIRY VOLUNTEER FIRE COMPANY, INC. 702 NORTH MAIN ST. • MOUNT AIRY, MARYLAND 21771

BUSINESS PHONES 301-829-0100 • 301-831-7454 • 410-795-8055 FAX LINE

301-829-2353 **EMERGENCY PHONE**



The Mt. Airy Volunteer Fire Company (MAVFC) provides fire, rescue, and emergency medical services (EMS) within the corporate limits of the Town of Mount Airy. At the present time, apparatus and facilities are adequate for the delivery of these services. However, the projected increase of the town population by approximately 2000 residents over the next two to five years will impact the delivery of these services. This will be especially true if a portion of the projected population growth is senior housing. It is anticipated that such growth will necessitate the addition of EMS response capability with a direct impact on fleet configuration and fire station capacity to house additional vehicle(s) and required paid staff. Mixed-use construction as well as light industrial will increase the need for additional paid personnel to staff fire apparatus. No change in current fire-rescue fleet configuration is anticipated. However, increased costs for equipment replacement at a rate of 5-7% per year will need to be addressed.1

Projected capital impact of anticipated population increase on MAVFC

•	Additional ambulance Equipment for personnel to staff ambulance ² Equipment for personnel to staff fire apparatus ³ Modification to station to accommodate additional staff Expansion of station to accommodate additional vehicle(s)	\$400,000 \$50,000 \$50,000 \$50,000 \$1,000,000
---	---	--

¹ Source: Fire apparatus manufacturers

² Two EMS providers/four shifts

³ Four firefighters/four shifts